

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. NO.: 3680-02  
BILL NO.: HB 1426  
SUBJECT: Education, Elementary and Secondary: Kansas City Teachers  
TYPE: Original  
DATE: February 24, 2000

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$16,660)	(\$20,600)	(\$21,218)
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>(\$16,660)</b>	<b>(\$20,600)</b>	<b>(\$21,218)</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
<b>Local Government</b>	<b>(UNKNOWN)</b>	<b>(UNKNOWN)</b>	<b>(UNKNOWN)</b>

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Elementary and Secondary Education (DESE)** assume a Supervisor (\$47,611) and a Program Specialist I (\$26,203) would be needed to support the work of the Kansas City Education Renewal Commission.

The staff would be needed to coordinate and serve the Commission in carrying out its tasks of developing and implementing a plan to divide the Kansas City School District, provide a transportation plan, and sponsor charter schools.

DESE officials estimate Commission member expenses at \$20,000 annually and staff travel at \$4,500 annually. Based on a response to a similar proposal from 1998 (HB 1758), the **Oversight Division** assumes no new staff would be needed by DESE. Oversight has calculated the Commission member expenses at \$4,500 annually: 12 members x \$4,500 = \$54,000.

The Kansas City School District would be divided into 5 smaller districts under this proposal. DESE officials assume that the Kansas City Education Renewal Commission would divide the district up in such a way that the fiscal impact would be revenue neutral. The **Oversight Division** has included unknown costs to school districts for administrative costs of new school districts.

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<b>GENERAL REVENUE FUND</b>			
<u>Cost-DESE</u>			
Commission Member Expenses	<u>(\$16,660)</u>	<u>(\$20,600)</u>	<u>(\$21,218)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<b>SCHOOL DISTRICTS</b>			
<u>Cost-School Districts</u>			
New School Districts	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>	<u>(UNKNOWN)</u>

**The Kansas City School District could be divided into five new school districts. This would cause a redistribution of the foundation formula and local property taxes.**

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

#### DESCRIPTION

The proposal would create the Kansas City Education Renewal Commission. The commission would consist of two House members, two Senate members, four parents of children who attend school in the Kansas City School District, one representative of the Kansas City business community, one teacher employed by the Kansas City School District, one member of the Kansas City School Board and one representative of DESE. The members would not be compensated but would receive their actual and necessary expenses for participation on the commission. The commission would be funded through and supported by DESE.

The commission would develop a plan to divide the Kansas City School District into a minimum of five new racially balanced districts and provide boundaries for the new districts. The plan would be implemented by September 1, 2000.

The Kansas City School District would remain intact for purposes of assessing, collecting and distributing property taxes.

The commission could sponsor charter schools within the Kansas City School District.

The commission would provide transportation plans for the school districts. Students in the Kansas City School District could attend any district created.

The proposal contains an emergency clause.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space for the state but could for new school districts.

#### SOURCES OF INFORMATION

Department of Elementary and Secondary Education



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